

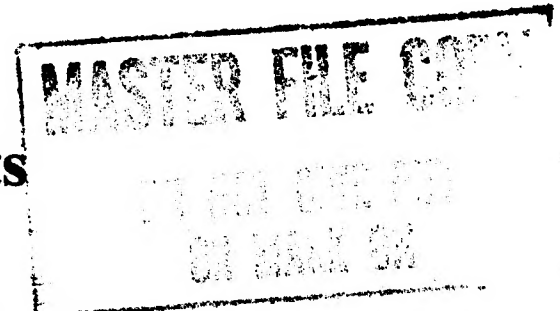


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World Grain Markets in the 1980s: The Impact of Government Policies



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An Intelligence Assessment

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World Grain Markets in the 1980s: The Impact of Government Policies

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An Intelligence Assessment

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**World Grain Markets
in the 1980s:
The Impact of
Government Policies**

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Key Judgments

*Information available
as of 20 May 1983
was used in this report.*

The developments in international grain markets during the 1980s will be determined more by agricultural policies in the key producing countries than by any other factors, including weather. With the exception of the United States, the major exporters have production expansion programs under way:

- *Canada* plans to increase grain production in the Prairie provinces, its main grain region, about 20 percent by 1990.
- During the 1980s output in the *European Community* will expand by a million tons per year, and perhaps even faster, in response to domestic support prices well above world levels.
- *Argentina* plans to raise grain production by 50 percent from present levels—to 45 million tons—in 1990; we think, however, only about one-half this gain can be reasonably expected.
- *Australia* plans to double wheat production in the next 20 years, but the use of more marginal land will mean larger annual fluctuations in output.

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With large grain surpluses and weak demand, pressures on exporters to protect their markets are mounting. While an all-out agricultural trade war is unlikely, competition among grain exporters has become fierce and acrimonious as the major players seek outlets for their surpluses. The use of production subsidies, attractive finance packages, and concessionary repayment terms has become the rule rather than the exception. These measures are paying off. Except for Australia, the major competitors of the United States will register increases in their export volume and market shares this year, while US grain sales will decline and the US market share will fall to the lowest level in eight years.

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In a buyer's market, the main beneficiary will be the Soviet Union—the world's largest grain importer. Specifically, Moscow will be in a strong position to bargain for advantageous terms on both the economic and, at times, the political front. Argentine interest in selling grain to the Soviets, for example, may influence the willingness of Buenos Aires to take strong stands against Moscow on international issues. Beyond this, the grain market glut means that, barring a serious crop failure, the USSR will be able to meet the lion's share of its grain import requirements from non-US suppliers, should Moscow so choose. We believe this condition will prevail for some time.

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In the coming months Moscow may try to use the current world grain glut as leverage in negotiating a new US-USSR grain agreement. The temptation to use leverage will be especially great if this year's Soviet crop is good. Moscow's negotiating stance will nevertheless be tempered by the desire to strike an agreement that would assure them access to US grain over the next five years. Above all, the Soviets want to avoid coming hat in hand to the United States at a time of tight world grain supplies.

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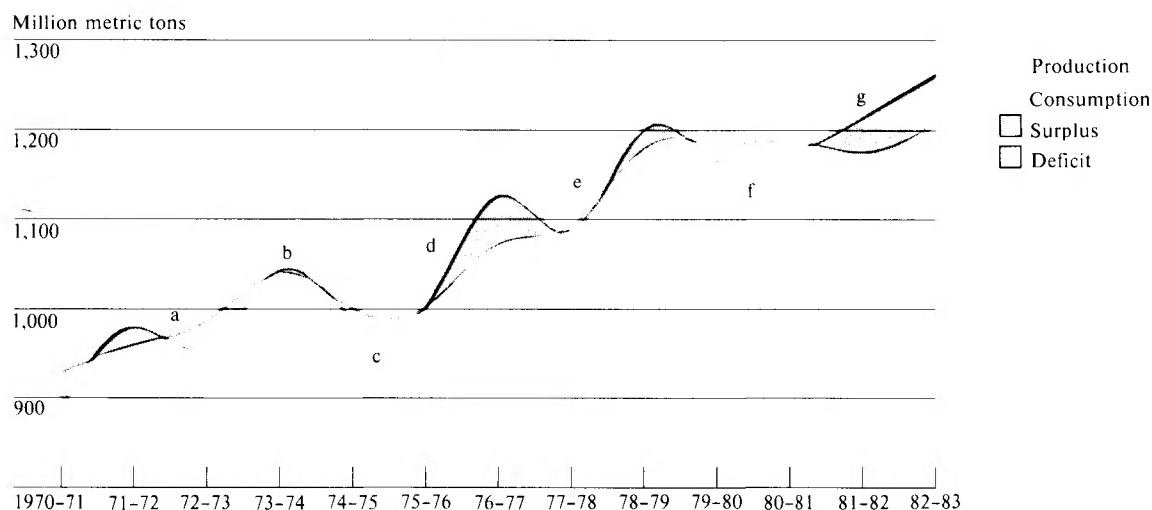
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Figure 1
World Grain Production and Consumption

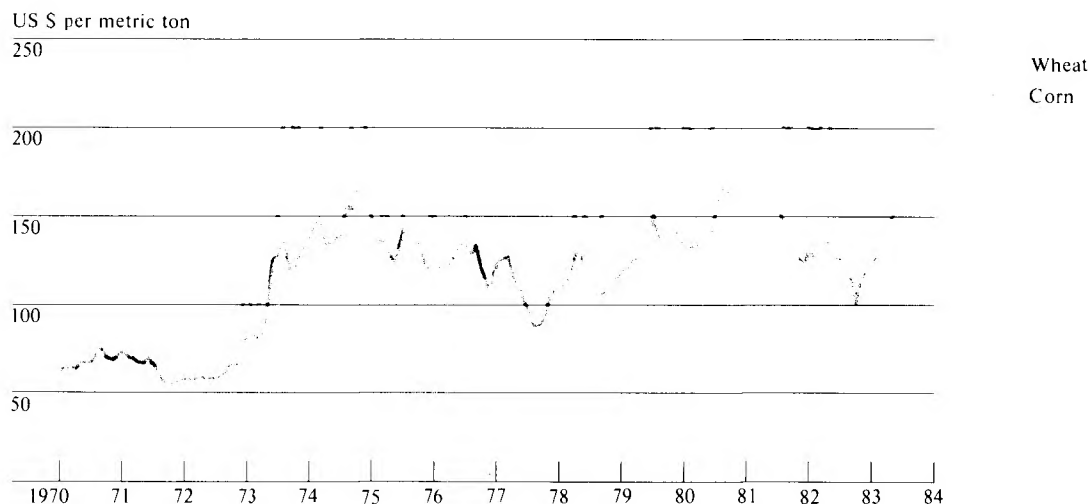


- a. January 1972, Soviets purchased record amounts of grain.
 b. 1973-74, US corn output decreases by 17.1 percent (36 million tons).
 c. June 1975, Soviet output fell by 50 million tons, imports rose 26 million tons.
 d. 1975-76, Soviet grain production increased by 80 million tons—65 percent of the total increase that year.
 e. 1977-78, China and the USSR account for 55% of the increased production.
 f. January 1980, US partial embargo on grain to the USSR.
 g. January 1981, grain production increased 42 million tons, US up 62 million, others down by 20 million tons.

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Figure 2
US Grain Export Prices c.i.f. Rotterdam^a



^aMonthly averages through May 1983.

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World Grain Markets in the 1980s: The Impact of Government Policies

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Setting the Stage in the 1970s

World grain markets were characterized by tight supplies and high prices during most of the 1970s. Poor weather reduced crops in marketing years¹ (MY) 1973 and 1975 and drove up world grain prices. This, in turn, stimulated an all-out production effort by most grain growers (figures 1 and 2). Since 1975 world grain production has increased at an average 3.1-percent yearly rate, compared with an average of 2 percent for the prior eight years.² The bulk of production gains were made by the large grain exporting countries—the United States, Canada, Australia, and Argentina (figure 3).

The increase in production was reflected in international markets. Since 1975 the volume of world grain trade has grown by 50 percent. Factors accounting for the surge included:

- Periodic crop shortfalls in important LDCs and centrally planned economies, particularly the USSR.
- Rising incomes, especially in developed countries like Japan, which dramatically increased the demand for livestock products and the consequent need for animal feed.
- The decision of LDCs, especially those in Africa, to emphasize the production of cash crops rather than food grains.³

As a result, the major importers became increasingly dependent on the world market, according to US Department of Agriculture (USDA) statistics (figure 4). In *Japan*, for example, between 1970 and 1980 imports rose by two-thirds. The *USSR* shifted from a net exporter to the world's largest importer. *China's* yearly imports—mostly wheat—more than tripled during the 1970s to 11 million tons. *Eastern Europe's* imports more than doubled, exceeding 10 percent of

consumption. Among Third World countries, *OPEC* and the middle-income LDCs more than tripled their grain purchases while low-income LDCs increased their total imports by more than 55 percent (table 1).

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Role and Impact of Government Policies

The rise in both production and grain trade by the major exporters was underpinned by government policies and generally favorable weather. Policy initiatives were directed in two areas—direct support to farmers and indirect measures facilitating exports. The scope and direction of policy changes varied among exporter countries. For some, particularly the United States and Canada, the increased trade of the early 1970s and consequent reduction in stocks led to a lifting of acreage restrictions. Canadian acreage quotas have been eased since 1970, allowing farmers to plant twice as much wheat. In the United States, until this year acreage set-aside programs were largely eliminated, causing a 75-percent expansion in harvested area since 1970.

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To encourage production, exporters took a number of steps to insulate farmers from risk and ensure incomes:

- Canada adjusted its Agricultural Stabilization Act in 1975, shifting away from strict market price stability toward guaranteeing a margin between revenues and costs.
- Australia, through its Wheat Board, guaranteed that any cuts in annual prices paid growers would be limited to 15 percent, thereby reducing income uncertainty. Further, the Wheat Finance Fund began to pay farmers a guaranteed price at the time of harvest instead of when the grain was sold by the Wheat Board, which could be many months later.
- EC support prices promoted grain production by guaranteeing farmers that production costs would be covered. Wheat support prices have grown to nearly twice the world market price (figure 5).

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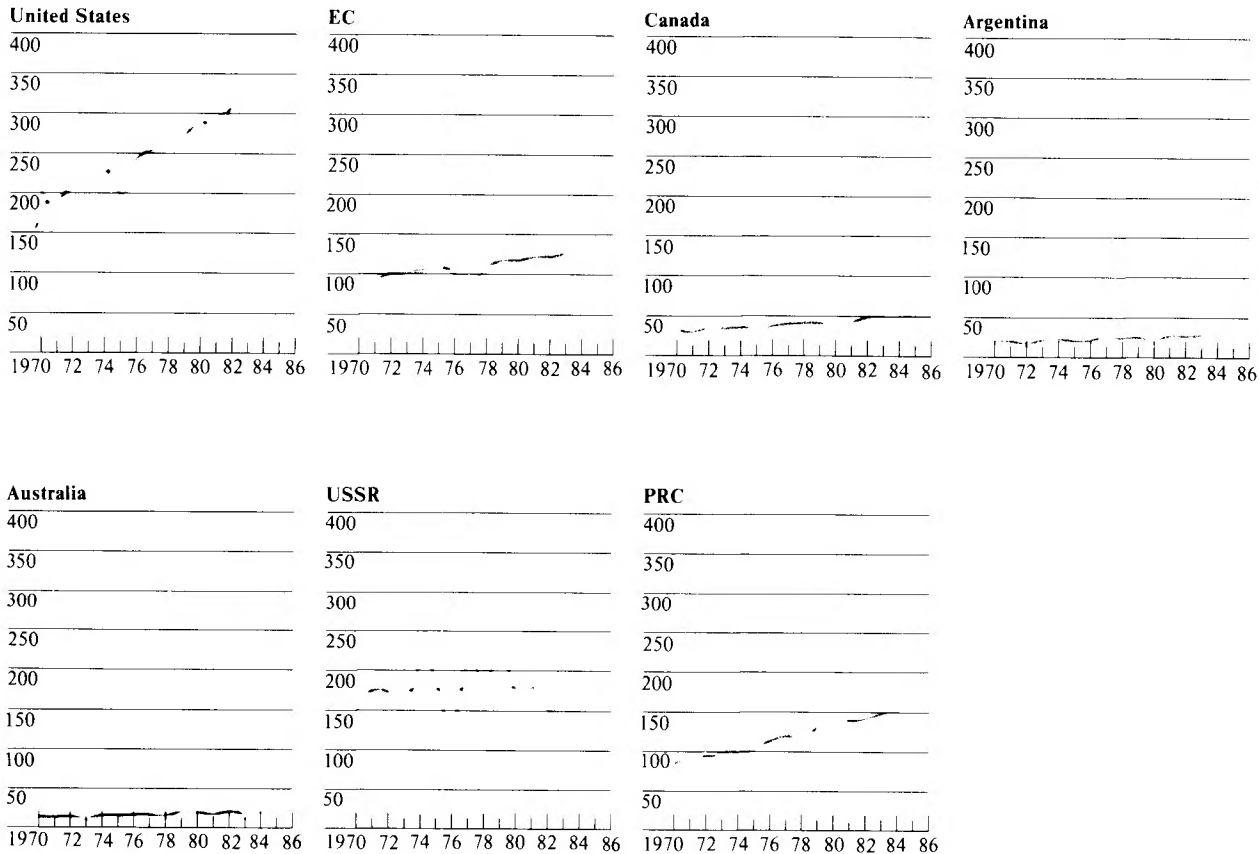
¹ Throughout this paper, the term marketing year refers to the July/June period ending in the year designated. For example, MY 1973 refers to 1 July 1972 through 30 June 1973.

² The term grain as used in this paper refers to wheat and coarse grains. Coarse grains include barley, rye, oats, corn, sorghum, millet, and mixed grains.

Figure 3
Grain Production of Major Producers, 1970-85^a

Million metric tons

Actual
Trend



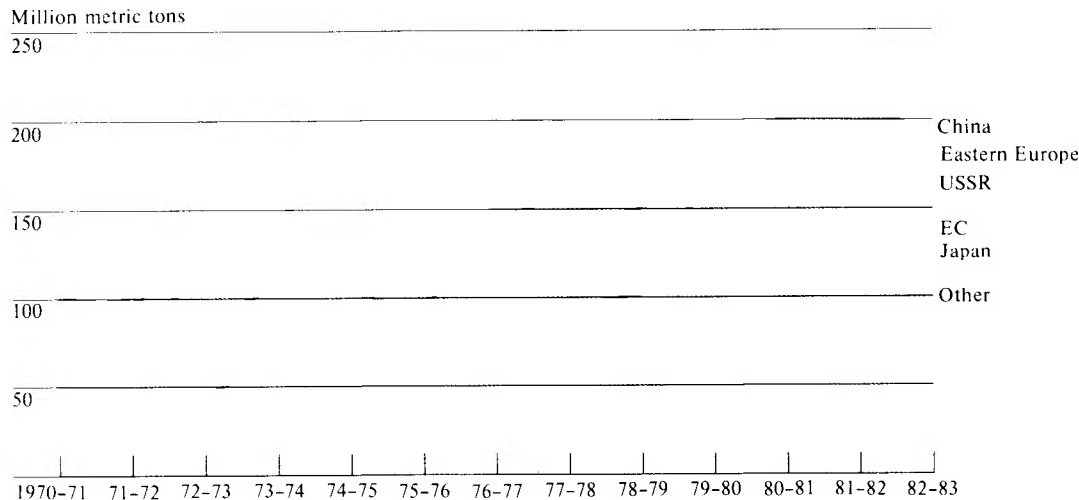
^a Midyear.

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Figure 4
World Grain Imports



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Governments also took steps to ease shipping bottlenecks. The Canadian Wheat Board, for example, bought 10,000 hopper cars between 1973 and 1979 to move grain to the ports. Buenos Aires invited international trading firms to make private investments in storage and handling facilities. [REDACTED]

To ensure markets, government-to-government long-term agreements (LTAs) became increasingly important to the major exporters. For example, in 1981 Ottawa signed a five-year agreement to provide the USSR with 25 million tons of grain. Exporters frequently sweetened grain deals by offering favorable financial provisions, as Canada did in 1982 when it extended \$1 billion in government-guaranteed commercial credits. [REDACTED]

Traditional marketing efforts were also pushed. Canada and Australia, where the government has exclusive export control through grain marketing boards, maintained offices in major cities around the world to promote sales. Other countries, including the United States, relied on private grain traders to transact export sales, but agricultural attaches, official trade promotion tours, and export-enhancing legislation—such as provisions for concessionary sales under PL (Public Law) 480—provided strong government support. Through these efforts, Canada, Australia, Argentina, and the United States have been able to export roughly one-half of their production (appendix A). [REDACTED]

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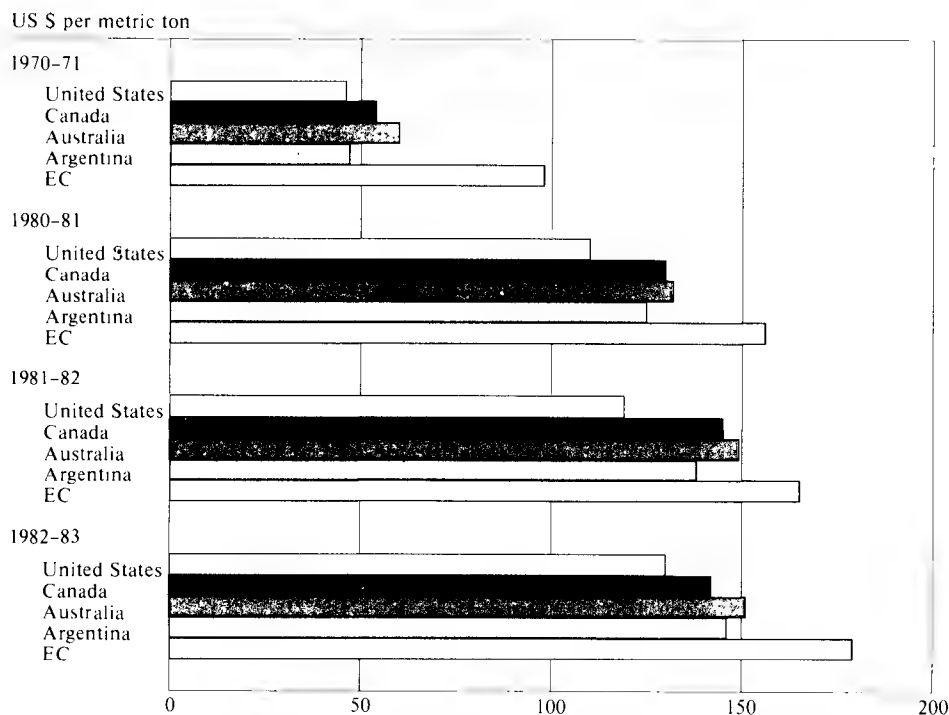
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Table 1
LDC Grain Imports

	1970		1980	
	Imports (million metric tons)	Imports as a Share of Consumption (percent)	Imports (million metric tons)	Imports as a Share of Consumption (percent)
Total	29.9	19.2	64.8	22.1
OPEC and middle-income LDCs	10.3	14.6	34.1	42.6
Low-income LDCs	19.6	23.0	30.7	14.4

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Figure 5
Basic Support Prices for Wheat, 1970/71 and 1980 to 1983



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The expansionary production policies of US competitors are being maintained, even though demand has slackened. As a result, a massive buildup in stocks occurred in MY 1982. We anticipate that record stocks of some 250 million tons will accumulate this year (MY 1983), equal to more than one year's world exports (figure 6). Most of the stock increase will result from record corn production in the United States. Agricultural officials expect US grain stocks will comprise an unusually high 60 percent of the world total when the marketing year ends this June.

With large stocks and weak demand, pressures on exporters to sell more grain abroad are mounting. World exports, according to USDA estimates, are expected to fall this year by 6 percent, about 15 million tons—primarily because of slack demand for feed grains. The United States, as the world's largest feed grain supplier, will bear the brunt of this decline. More than one-half of the drop in US exports will result from lower grain sales to the Soviet Union. Despite an anticipated loss of 4 percentage points in market share, the United States will still account for half the world's grain exports in volume terms.

In an attempt to gain larger market shares, governments are opting for even greater use of attractive sales and finance packages:

- Record quantities of EC wheat have been sold to the USSR and China, neither of which prefers EC wheat; to help promote the sale to China, the EC introduced a special \$6 per ton freight subsidy.
- Canada entered the East German market for the first time, selling 1 million tons of grain on the basis of two-year commercial credits guaranteed by Ottawa

Major Foreign Government Grain Export Agencies

Canada. The Canadian Wheat Board maintains control over the destination of Canadian wheat by selling directly to foreign buyers and handling or closely coordinating delivery. On the other hand, a large portion of Canadian barley is sold to private firms (at Canadian ports) and little control has been maintained on its destination.

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Australia. The Australian Wheat Board has always kept very close control over wheat sales—either dealing with foreign governments or requiring that sales to private firms (at Australian ports) be made only with named destinations. Coarse grains are handled by state boards and private firms, and less control results.

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EC. The EC Grain Management Committee decides how much of each type of grain will be offered for export and what subsidies will be paid to sell its higher cost product in the world market. The EC can require proof of destination before it pays the export subsidy.

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Argentina. The Argentine Grain Board plays only a minor role in controlling grain exports and allows private firms to make sales without disclosing the grain's destination.

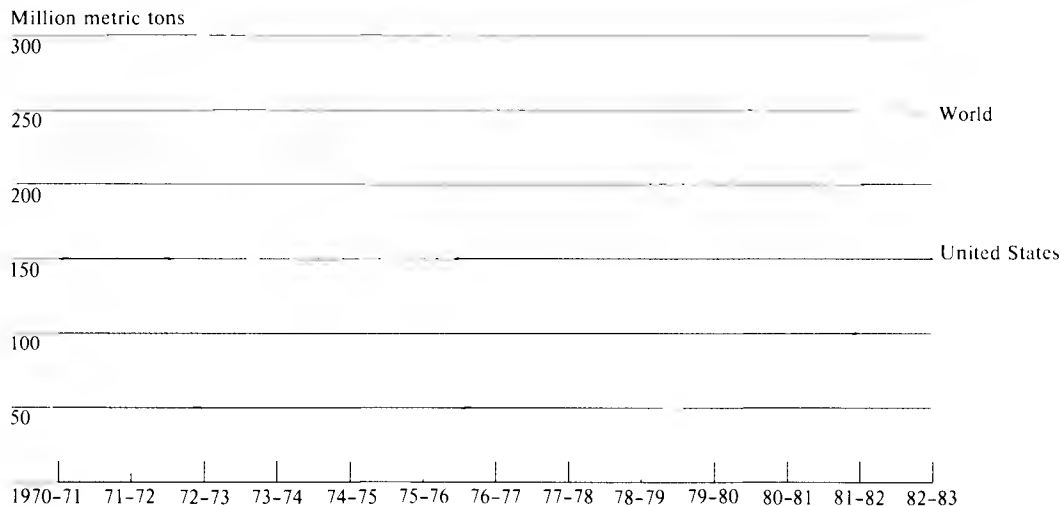
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Other Exporters. South Africa and Thailand each have centralized selling agencies; however, most of their corn crops are sold to private firms at the loading ports, and at this time all government control ceases. Brazil also uses centralized selling agencies.

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Figure 6
World Grain Stocks



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These measures are paying off. With the exception of Australia, the major competitors of the United States will register increases in their export volume and market shares this year (figure 7). According to USDA estimates:

- Canada's exports will rise by 2 million tons and its market share will increase from 12 to 14 percent.
- Argentina's exports will be up by 1.5 million tons, and its market share will increase from 9 to 10 percent.
- The EC, with about 10 percent of the market, will post a small gain in both exports and market share.
- Australia, hit hard by drought, will show a 6-million-ton decline in exports, and its share of the grain trade will fall from 7 percent to less than 5 percent.

Intense competition is generating acrimony among exporter countries. According to press reports, the EC is taking a hard look at imposing restrictions on imports from the United States of soybeans and corn gluten (a feed grain substitute), which now total about \$6 billion a year.

Prospects for the Remainder of the 1980s

Barring unusually bad weather, the production policies which foreign grain producers have put in place will assure adequate supplies of grain for the foreseeable future. The current buyer's market and the aggressive grain export policies of the major producers are likely to continue for the near term. Beyond that, the present wide gulf between production and consumption likely will narrow somewhat as the Western recovery takes hold and as the effects of greater US acreage set-asides, including the payment-in-kind (PIK) program, are felt. Whether the grain

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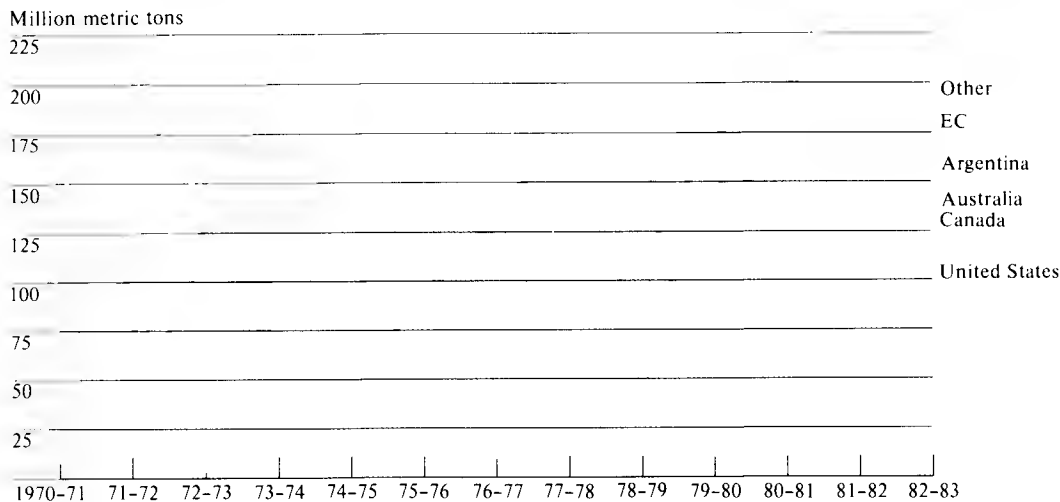
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Figure 7
World Grain Exports



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surplus situation is reversed will depend on demand and supply factors such as the pace of economic recovery and its effect on grain consumption, production policies, weather, and trade policies.

Production in the 1980s. Even with current record production levels, key producing countries have the ability to raise output further. However, production growth is likely to be slower than the 3-percent annual rate of the late 1970s, given tight budgets, the shortage of investment funds, and low world grain prices. Still, a number of ways to boost production—improved cropping practices, hybrid seed, and fertilizer applications—are available and will be employed, given the right market signals. Judging from the output goals of the major foreign producers, a continuation of current production and export policies will be the rule rather than the exception:

- **Canada.** The Canadian Wheat Board has set a target of 50 million tons for annual grain production from the Prairie provinces, some 20 percent higher than current output. According to a 1982 report, the

Canadian Grains Council stated that this goal will be relatively easy to attain by: (1) putting into production some land now kept in summer fallow, (2) using genetically improved seeds, (3) increasing fertilizer application rates, and (4) improving cultivation practices. Ottawa has initiated a bold export program to stimulate further Canadian production increases by eliminating bottlenecks that now limit shipping. If planned rail and port improvements are completed, West Coast grain export capacity should double by 1985, to 15 million tons, in part through the construction of a \$260 million grain terminal at Prince Rupert. Shipping capacity at Vancouver is expected to expand by nearly one-half during the same period.

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- **EC.** The European Commission forecasts grain output of 137 million tons by the 1988/89 season, up slightly from this year's output of 130 million tons. With acreage fixed and yields among the highest in the world, only gradual technological improvements

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are anticipated. The main spur to output will come from favorable prices to EC farmers under the Common Agricultural Policy (CAP). With support prices well above world prices and subsidized exports, EC producers are insulated from the world grain markets and are therefore encouraged to produce more than is needed domestically. We foresee no significant change in this policy. However, budgetary problems will make some CAP reform likely; at a minimum, it will limit the rate at which price supports are increased.

- *Argentina.* According to press reports, Buenos Aires plans to increase grain production to 45 million tons by 1990, 50 percent above present levels, by putting marginal lands into production, increasing yields, and decreasing grain export taxes. With current yields for wheat about three-fourths of those in the United States and corn yields only one-half, the potential for improvement is great. We think, however, that only about one-half of this gain can be reasonably expected. Almost all prime cropland is now under cultivation. Economic conditions will continue to impede the necessary capital expenditures, particularly those for badly needed storage capacity. Moreover, inflation has caused the prices of seed, fertilizers, herbicides, and fuel to soar since the end of the Falklands crisis, putting farmers in a cost-price squeeze and creating disincentives for them to market their grain.
- *Australia.* The new Labor Party government of Prime Minister Hawke, which came to power on 5 March, has yet to announce its agricultural policy. Press reports indicate, however, that Canberra plans to increase grain support prices and provide relief aid, such as interest rebates, to farmers who are enduring the worst drought of the century. Australian farmers, for their part, plan to offset lost production by seeding record acreage. Encouragement from the government, including a program to improve yields and to put marginal lands under cultivation, is likely to keep Australian production rising in the 1980s. The National Farmers Federation believes that wheat production can double in the next 20 years. Even if this goal is realized, however, the use of marginal land will probably increase the already large year-to-year fluctuations in output.

Weather and Crops

Climatologists frequently disagree on questions of long-term trends and turning points in the weather. Weather does, however, explain the wide range of variability about trend among major grain producers—the United States, Canada, Australia, Argentina, the Soviet Union, China, and the European Community—which account for about 70 percent of world grain production. Among major exporters, Australia and Argentina exhibit the most variability around trend, but together they account for only 3 percent of production and 15 percent of exports. Hence, their impact upon world markets is less than that of the United States, Canada, or the EC.

In the 1970s weather events caused sharp year-to-year fluctuations in production and prices. Average yearly output of wheat and coarse grains during the decade was 1,045 million tons, with an average yearly fluctuation of plus-or-minus 50 million tons. The greatest decline of the decade—55 million tons—occurred with the depressed MY 1975 harvest. Return to normal weather enabled output to increase by a record 124 million tons in MY 1977. Most of the variation in global output stemmed from events in the USSR and the United States. Soviet production changes swang from an 80-million-ton gain between MY 1976 and MY 1977 to a 55-million-ton loss between MY 1979 and MY 1980, making the USSR the most erratic factor in world import demand. In the United States, crop fluctuations ranged from a 51-million-ton increase between MY 1971 and MY 1972 to a 34-million-ton decline between MY 1974 and MY 1975.

While production policies will in large part determine the trend in output for the 1980s, weather will be the most important factor affecting annual swings in world grain production. In the past, good weather in the major producing areas in a given year has generated world production increases of more than 100 million tons, about 10 percent of world output. Bad weather, however, tends to be regionalized, with good weather elsewhere largely offsetting its effects. Declines in world output in a given year because of bad

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Table 2
Economic Growth and Grain Consumption
(Average Annual Rate of Growth)

	1971-80		1981-82	
	Gross National Product	Grain Consumption	Gross National Product	Grain Consumption
World	3.6	2.5	0.8	-0.5
Developed countries	3.3	1.4	0.3	-0.6
LDCs	6.2	4.1	1.3	2.2
Communist countries	3.5	2.9	1.2	-1.6

weather have generally been less than 50 million tons. It is therefore very unlikely that weather alone will cause the current surplus situation to end. Moreover, grain production in most countries is too small to have a significant impact on world supplies. This year's drought in Australia's primary wheat regions, for example, reduced that country's harvest by nearly 50 percent, but the 10.5-million-ton shortfall has not affected the world market. []

Poor weather would have the most telling impact on the world market if it occurred in the United States. This would be especially true if a severe weather problem coincided with sharply reduced sown areas. While a poor harvest in the United States in any year would mean higher world grain prices and a draw-down in US stocks, this year there would still be sufficient grain supplies to meet world demand because of record stock levels. []

Demand in the 1980s. We believe slower economic growth and international debt problems will cause grain demand to grow more slowly than the 2.5- to 3-percent rate of the 1970s. Most private and public forecasters expect a weak recovery in OECD economic growth during the next year or two and relatively slow growth thereafter. Wharton, for example, forecasts average growth of 2.8 percent in 1983-84 and 2.6 percent during 1985-90. This will provide little impetus to increases in grain demand (table 2). []

Grain import demand in the *LDCs* is likely to be constrained by their financial indebtedness to Western banks. Many have had to implement austerity programs in response to International Monetary Fund (IMF) mandates, limiting their imports—including grain. Improvements in LDC export earnings can be expected to lag behind OECD growth. []

The growth of grain demand in the *developed countries* may be slowing as a result of cutbacks in red meat consumption. For example, USDA presently estimates that per capita red meat consumption in the United States fell 4 percent in 1982 and will fall again in 1983. Reflecting this decline in the demand for feed grains, US coarse grain consumption has fallen to the level that prevailed four years ago. According to recent market surveys, grain producers are concerned that the shift from beef to poultry, which conserves grain use, could be permanent, reflecting changing tastes. The failure of beef demand to recover would significantly dampen overall grain consumption growth rates during the remainder of the 1980s. []

The Stock Overhang: Implications for the United States

To date, the United States has been the only major grain producer willing to adjust its production to market conditions. Unless other countries take similar actions, the current grain glut is likely to continue for some time and competition for export markets will intensify. While an all-out agricultural trade war (for example, dumping of surpluses, import embargoes, and prohibitive tariffs) is unlikely because most exporters generally realize such a trade war would produce no winners, aggressive marketing tactics will be widespread.⁴ Moreover, production cutting policies in one country are likely to discourage similar actions in competing export countries. []

The level of EC subsidies will continue to be a major irritant to cohesion within the alliance. Chances are remote that the Europeans will bring their price support program in line with world prices because of []

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the widespread unemployment among farmers such a move would create, but some reform in the Common Agricultural Policy is likely for budgetary reasons. About two-thirds of the entire Community budget goes to support agriculture. In addition to straining US-EC relationships, the CAP is creating serious friction within the EC:

- The EC Commission has formally proposed an average increase of 5.5 percent in agricultural commodity prices for 1983/84.
- The Committee of Agricultural Organizations in the EC (COPA)—the European farm lobby—is publicly pushing for an average price increase of at least 7 percent, lifting the current ceiling of 1 percent of VAT, if need be, to finance the increase.
- West Germany's Minister of Agriculture openly criticized the Commission's price proposal as inequitable, saying that it provided no real price increases for German dairy and grain producers.
- France's Agriculture Minister publicly criticized West Germany for running a trade surplus with other EC members.

While this year's price proposals are moderate compared with EC price increases in recent years of about 10 percent, they are unlikely to induce cuts in EC production. [redacted]

As long as the surplus situation continues, countries that need to import grain will benefit. Low prices and concessionary repayment terms offered by exporters seeking to undercut the competition will enable debt-ridden LDCs to import more grain than they could otherwise afford. [redacted]

The Soviet Advantage

The Soviet Union—the world's largest grain importer—stands to gain considerably from the current grain glut. From MY 1980 to the present, Moscow has bought nearly 150 million tons of grain, reflecting four consecutive poor grain crops. Moreover, concern over grain availability after the US partial grain embargo of 1980 led Moscow to sign five-year grain agreements with Canada and Argentina for yearly

average minimums of 5 and 4 million tons, respectively.⁵ So far, shipments have well exceeded the minimum amounts. In contrast, US sales to the Soviet Union will be at their lowest level since MY 1975, only slightly above the minimum 6 million tons specified in the US-USSR LTA. [redacted]

The ready availability of cheap grain greatly reduces the economic costs to Moscow of a poor domestic grain crop. In a buyer's market the Soviet Union can play one supplier off against the other in pushing for better buying terms. Barring crop failure, the Soviet Union probably would be able to meet its medium-term grain import needs entirely from non-US suppliers. It is unlikely to do so, however, for several reasons:

- Buying grain from the United States gives Moscow leverage in negotiating grain purchases with the other major suppliers.
- The United States is able to supply grain during the winter months when logistic problems limit supplies from other countries.
- Moscow may wish to keep supply lines from the United States open in the event of a return to world grain shortages. [redacted]

Nonetheless, Moscow may try to use the current oversupply situation as leverage in the coming months in negotiating a new US-USSR grain agreement; the current agreement expires on 30 September. In mid-May, Moscow formally agreed to the US proposal of 7 April to negotiate a new LTA. Earlier, a Soviet trade official indicated that the minimum and maximum purchase levels would be the key issue in the negotiations. [redacted]

Moscow also wants delivery guarantees. It may use the US-USSR grain trade consultations scheduled for June to further clarify its position. In any case, we believe Soviet negotiators will want to hammer out a new agreement to assure multiyear access to US grain while market conditions are in Moscow's favor. [redacted]

⁵ More precisely the Canadian-Soviet LTA called for a minimum of 4 million tons in 1981, increasing by 0.5 million tons each year to reach 6 million tons by 1985. [redacted]

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Appendix A

Table A-1
Major Grain Exporters:
Wheat and Wheat Flour Production and Exports ^a

Million metric tons
(except where noted)

	1977/78	1978/79	1979/80	1980/81	1981/82
Production					
World total	384.4	446.8	423.3	441.5	448.6
Argentina	5.7	8.1	8.1	7.8	7.8
Australia	9.4	18.1	16.2	10.9	16.4
Canada	19.9	21.1	17.2	19.3	24.8
EC Ten ^b	40.2	50.3	48.8	55.1	54.4
United States	55.7	48.3	58.1	64.6	76.0
Total	130.9	145.9	148.4	157.7	179.4
Share of world total (<i>percent</i>)	34.1	32.7	35.1	35.1	40.0
Exports					
World total	73.0	72.0	86.0	94.3	102.3
Argentina	2.6	3.3	4.8	3.9	4.3
Australia	11.1	6.7	14.9	10.6	11.0
Canada	15.9	13.5	15.0	17.0	17.8
EC ^b	5.2	8.8	10.4	14.7	15.5
United States	30.6	32.5	37.4	41.2	48.3
Total	65.4	64.8	82.5	87.4	96.9
Share of world total (<i>percent</i>)	89.5	90.0	95.7	92.7	94.7

^a Market year, July through June.

^b Ten countries of the European Community.



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Table A-2**Major Grain Exporters:****Coarse Grain Production and Exports ^a***Million metric tons*
(except where noted)

	1977/78	1978/79	1979/80	1980/81	1981/82
Production					
World total	700.6	753.6	741.3	730.1	765.0
Argentina	18.3	17.3	10.6	20.9	18.7
Australia	4.3	7.1	6.2	5.2	6.8
Canada	22.3	20.3	18.6	22.3	26.0
EC ^b	66.5	70.1	69.1	69.7	67.9
United States	205.7	222.1	238.7	198.4	248.9
Total	317.1	336.9	343.2	316.5	368.3
Share of world total (<i>percent</i>)	45.3	44.7	46.3	43.4	48.1
Exports					
World total	84.0	90.2	100.9	105.5	103.7
Argentina	11.0	11.5	6.6	9.9	13.6
Australia	2.0	2.6	4.1	2.2	3.1
Canada	3.7	3.9	4.8	4.6	7.6
EC ^b	5.5	5.5	4.4	5.2	5.5
United States	56.3	60.2	71.4	69.5	58.6
Total	78.5	83.7	91.3	91.4	88.4
Share of world total (<i>percent</i>)	93.5	92.8	90.5	86.6	85.2

^a Market year, July through June.^b Ten countries of the European Community.

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Table A-3
Major Wheat Importers ^a

Million metric tons
(except where noted)

1977/78		1978/79		1979/80		1980/81		1981/82	
World total	73.0		72.0		86.0		94.3		102.3
China	8.6	China	8.0	USSR	12.1	USSR	16.0	USSR	19.5
USSR	6.6	Japan	5.7	China	8.9	China	13.8	China	13.2
Japan	5.8	USSR	5.1	Eastern Europe	6.1	Eastern Europe	6.0	Egypt	6.1
EC ^b	5.4	Egypt	4.8	Japan	5.6	Japan	5.8	Japan	5.6
Eastern Europe	5.0	EC ^b	4.6	EC ^b	5.3	Egypt	5.6	Eastern Europe	6.4
Egypt	4.3	Eastern Europe	4.4	Egypt	5.2	EC ^b	4.6	EC ^b	4.7
Brazil	3.1	Brazil	3.7	Brazil	4.0	Brazil	3.9	Brazil	4.5
South Korea	1.8	Other Western Europe	2.1	Iraq	2.3	South Korea	2.1	India	2.3
Morocco	1.8	Pakistan	2.0	Other Western Europe	2.1	Morocco	2.0	Morocco	2.4
Bangladesh	1.7	Algeria	1.7	Bangladesh	2.0	Other Western Europe	2.1	Other Western Europe	2.2
Total	44.1		42.1		53.6		61.9		66.9
Share of world total (percent)	66.4		58.5		62.3		65.6		65.4

^a Market year, July through June.

^b Ten countries of the European Community.



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Table A-4
Major Coarse Grain Importers ^a

Million metric tons
(except where noted)

1977/78		1978/79		1979/80		1980/81		1981/82	
World total	84.0		90.3		100.9		105.5		103.7
Japan	17.0	Japan	17.9	Japan	18.9	Japan	18.9	USSR	25.6
EC ^b	15.1	EC ^b	14.5	USSR	18.4	USSR	18.0	Japan	18.3
USSR	11.7	Eastern Europe	10.6	EC ^b	13.4	EC ^b	11.6	Other Western Europe	12.6
Other Western Europe	9.1	USSR	9.9	Eastern Europe	11.4	Eastern Europe	10.7	EC ^b	10.0
Eastern Europe	8.3	Other Western Europe	8.3	Other Western Europe	9.9	Other Western Europe	8.9	Eastern Europe	6.9
Taiwan	2.8	Taiwan	3.7	Mexico	5.0	Mexico	8.2	Taiwan	3.7
Mexico	2.3	China	3.1	Taiwan	3.3	Taiwan	3.6	South Korea	2.7
South Korea	2.0	Mexico	3.0	South Korea	2.5	South Korea	2.6	Saudi Arabia	2.5
Israel	1.1	South Korea	2.6	China	2.0	Brazil	2.1	Mexico	2.1
Venezuela	0.8	Brazil	1.6	Brazil	1.7	Saudi Arabia	1.9	China	1.3
Total	70.2		75.2		86.5		86.5		85.7
Share of world total - (percent)	83.6		83.3		85.7		82.0		83.8

^a Market year, July through June.

^b Ten countries of the European Community.



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